

2210-K

42A740-S1

Commonwealth of Kentucky  
DEPARTMENT OF REVENUEUNDERPAYMENT OF ESTIMATED TAX  
BY INDIVIDUALS

➤ Attach to Form 740 or 740-NP.

2006

Enter name(s) as shown on page 1, Form 740 or 740-NP.

Your Social Security Number

## PART I—EXCEPTIONS AND EXCLUSIONS

The penalty may be waived if, *and only if*, one of the following conditions is met. If one or more of the following applies to you, check the appropriate block(s), complete any necessary blank(s) and check the "Form 2210-K attached" block on Form 740, line 41a (Form 740-NP, line 41a). **If none of the exceptions apply, go to Part II.**

Check applicable block(s).

1. The taxpayer died during the taxable year. **275**

2. Two-thirds ( $\frac{2}{3}$ ) or more of the gross income was from farming; this return is being filed on or before March 1, 2007; **and** the total tax due is being paid in full. Fiscal year taxpayers must file a return and pay the tax due on or before the first day of the third month following the close of the tax year. **276**

a. Enter total gross income ..... **277**  
 b. Multiply by  $\frac{2}{3}$  (.67) ..... **278**  
 c. Enter gross income from farming ..... **279**

Line (c) must **equal or exceed** line (b) to qualify for the exception.3. Prepaid tax **equals or exceeds** last year's income tax liability. **280**

a. Enter the liability from the 2005 return, Form 740, line 26;  
Form 740-NP, line 26; ..... **281**  
 b. Enter amount from the 2006 Form 740, line 31 (Form 740-NP, page 2, line 31)\* ..... **282**  
 Line (b) must **equal or exceed** line (a) to claim the exception.

PART II—FIGURING THE UNDERPAYMENT AND PENALTY (Complete only if the **additional** tax due exceeds \$500)

1. a. Enter 2006 income tax liability from Form 740, line 26 (Form 740-NP, page 1, line 26).....	1a	<b>283</b>
b. Enter credit for taxes paid to another state from Form 740, Section A, line 4 (Form 740-NP, Section A, line 4).....	1b	<b>284</b>
c. Total (add lines 1a and 1b).....	1c	<b>285</b>
2. Percentage of liability required to be prepaid is 70%.....	2	<b>x .7</b>
3. Multiply line 1c by line 2.....	3	<b>286</b>
4. a. Enter the amount from Form 740, line 31 (Form 740-NP, page 2, line 31)* .....	4a	<b>287</b>
b. Enter credit for taxes paid to another state from Form 740, Section A, line 4 (Form 740-NP, Section A, line 4).....	4b	<b>288</b>
c. Total (add lines 4a and 4b).....	4c	<b>289</b>
5. Subtract line 4c from line 3 (If line 4c exceeds line 3, no penalty applies.).....	5	<b>290</b>
6. Penalty percentage is 10%.....	6	<b>x .1</b>
7. Multiply line 5 by line 6. This is the amount of the penalty for underpayment of estimated tax (minimum penalty \$25).....	7	<b>291</b>

**Form 740**—Enter this amount on Form 740, line 41a, check the "Form 2210-K attached" box.**Form 740-NP**—Enter this amount on Form 740-NP, line 41a, and check the "Form 2210-K attached" box.

To avoid underpayment penalty in the future, obtain and file Form 740-ES.

\*Do not include amounts prepaid with extension after the due date of the fourth declaration installment.